ITT: 'Serving People and Nations Everywhere'

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The first thing to be said of the Senate's investigation of the ITT affair in Chile is that, so far, no charge has been made and no proof offered that the Central Intelligence Agency actually conspired to prevent Marxist Salvador Allende from being elected president and taking office in 1970. In testimony before a Foreign Relations subcommittee, one ITT official, former CIA Director John McCone, said he transmitted ITT president Harold Geneen's block-Allende proposal to McCone's "close personal friend," then CIA Director Richard Helms, and to Henry Kissinger as well. Another ITT official, vice president Edward Gerrity added that some such proposal was made by the CIA's own William Broe, who has yet to testify publicly himself. A pattern of frequent and easy ITT-government contacts has been established, including "25 visits" to the State Department.

But all witnesses so far have agreed that the United States did not act on the block-Allende proposals. He did take office. So on the basis of this testimony it would be wrong and unfair to accuse the Nixon administration, whose disputes with Chile *over expropriation issues* are a matter of record, of having tried to keep Mr. Allende from taking power. We emphasize the point with the hope of not making the situation seem any worse than it actually is.

For the situation—without embellishment—is in fact pretty bad. Whether out of common and reflexive cold-war tradition, a custom peculiar to Chile, or ITT's own special style, when the giant company felt it had a problem in Chile in 1971, it went promptly and repeatedly to the innermost corridors of official power. Its problem was its fear that the Allende government might nationalize its telephone company; Santiago later did nationalize, on grounds (among others) of "rotten service." To save this $150 million property, ITT—by Mr. McCone's word—concocted the extraordinary notion of giving the CIA up to $1 million to implement an ITT plan to create enough economic and political disorder to prevent Mr. Allende from taking office.

Note well: any citizen or corporation has a right, within certain limits, to petition his government. But have you ever heard of any citizen or corporation offering the government an *extra* sum to provide a special service: flouting a foreign government's electoral process at that? It's as though ITT considered the U.S. government to be, well, a multinational corporation, with varied services to sell to various customers. A concept more defiant of democratic government is hard to imagine.

Mr. McCone said he conceived of the $1 million project as being in the same anti-Communist spirit as the Marshall Plan and the Berlin Airlift. His ITT colleague, Mr. Gerrity, expressing surprise at the McCone testimony, said *he* conceived of the $1 million as "seed money" for a housing project—to sweeten Mr. Allende. The difference is intriguing and, we trust, will be thoroughly explored. ITT has its honor to defend, to say nothing of its $92 million expropriation insurance claim pending before the U.S. government's tax-supported corporate insurance agency.

The ITT hearings, the first conducted by Senator Church's new multinational corporations subcommittee, are to continue next week. Subsequent hearings planned over the next three years are to address other aspects of multinational corporate activity. Already, however, enough material has emerged to indicate that the public is woefully ignorant of both the ways in which American corporate power is employed in Washington and its effects not only on the corporate position but on the American national standing abroad. We do not assume that the ITT role in Chile, whatever further inquiry shows that role to have been, is typical of multinational performance everywhere. We trust, moreover, that the Church subcommittee will be as diligent in laying out the corporations' benefits to Americans and foreigners as it is in indicating the pitfalls in their path. Meanwhile, the rest of the ITT story in Chile needs to be told.